

November 17, 2006

## 1120 Stakeholders

We are posting the Production version (2006v2.1) of the Tax Year (TY) 2006 **Forms 1120 and 1120S** XML schemas and Business Rules on the [www.irs.gov](http://www.irs.gov) website (referred to as Release 4.0). These schemas and business rules contain changes since the November 7, 2006 posting. We are also posting the Production version (2006v1.2) of the Tax Year (TY) 2006 **Form 7004** XML schemas and Business Rules. These schemas and business rules contain changes since the October 17, 2006 posting.

Note: The Modernized e-File system will open for live processing on January 8, 2007 and Form 1120 and 1120S schema version 2006v2.X must be used to submit all TY 2006 production returns.

TY 2006 Assurance Testing (ATS) began on November 7, 2006 using Forms 1120 and 1120S schema version 2006v1.2 and Form 7004 schema version 2006v1.1. Effective December 28, 2006, Forms 1120 and 1120S schema versions 2006v2.0 and 2006v2.1 and Form 7004 schema version 2006v1.2 will be installed into ATS and test returns can be sent in through Electronic Management System (EMS) and the Registered User Portal (RUP).

Note: Effective December 28, 2006, Forms 1120 and 1120S schema versions 2006v2.0 or 2006v2.1 must be used to submit all TY 2006 test returns. All prior 2006 Forms 1120 and 1120S schema versions are no longer valid.

## XML Schemas

### 1120/1120S

The TY 2006 production schemas include all tax forms and schedules for Forms 1120 and 1120S. Schema version 2006v2.1 is posted to the Production System and ATS System charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Also included are "Diff Files" showing changes from the previous schema versions.

Forms 1120 and 1120S schema version 2005v2.5 is posted to the Production System and ATS System charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Changes from the June 16, 2006 posting are displayed in the "Diff Files" on the Production and ATS System charts.

Forms 1120 and 1120S schema version 2004v4.4 is posted to the **Production System** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Changes from the January 30, 2006 posting are displayed in the "Diff Files" on the Production and ATS System charts.

### 7004

The TY 2006 production schemas include all tax forms and schedules for Form 7004. Schema version 2006v1.2 is posted to the **Production System** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Also included are "Diff Files" showing changes from the previous schema versions.

Form 7004 schema version 2005v2.4 is posted to the **Production System** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Changes from the June 16, 2006 posting are displayed in the "Diff Files" on the Production and ATS System charts.

Form 7004 schema version 2004v4.4 is posted to the **Production System** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Changes from the January 30, 2006 posting are displayed in the "Diff Files" on the Production and ATS System charts.

The **Production System** table contains the current valid schemas for Forms 1120, 1120S and 7004 that are still being used to process TY 2003, TY2004 and TY2005 tax returns and TY 2005 timely-filed extensions.

Please note: The Instance Document contained in the schema files is viewable with any generic MIME-reader. Found within the 1120 folder, the Instance Document contains an example 1120 transmission.

## **Business Rules**

### **1120/1120S**

Release 4.0 TY 2006 (version 2006v2.1) 1120/1120S Business Rules are posted in two different formats containing identical information – Adobe (.PDF), and Comma Separated File (.CSV). A column within the file identifies key changes made from the last posted version of the business rules. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

Forms 1120 and 1120S Business Rules versions 2005v2.5 and 2004v4.4 are also posted in two different formats containing identical information – Adobe (.PDF), and Comma Separated File (.CSV). A column within the file identifies key changes made from the last posted version of the business rules. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

### **7004**

Release 4.0 TY 2006 (version 2006v1.2) Form 7004 Business Rules are posted in two different formats containing identical information – Adobe (.PDF), and Comma Separated File (.CSV). A column within the file identifies key changes made from the last posted version of the business rules. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

Form 7004 Business Rules versions 2005v2.5 and 2004v4.4 are also posted in two different formats containing identical information – Adobe (.PDF), and Comma Separated File (.CSV). A column within the file identifies key changes made from the last posted version of the business rules. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

As with the XML schemas, current valid Business Rules for TY 2003, TY 2004 and TY2005 are shown in the **Production System** table.

## **Key Changes**

Due to the new sub-consolidation schemas structure, Tax Year 2006 Production schema versions (effective January 8, 2007) and the ATS schema version (effective December 28, 2006) will also change:

- 2006v2.0 and 2006v2.1 are posted to the **Production** and **ATS System** charts to be used to submit TY 2006 tax returns. All prior 2006 Forms 1120 and 1120S schema versions are no longer valid.

Beginning January 8, 2007, Modernized e-File will only accept 1120/1120S tax returns for Tax Years 2004, 2005 and 2006.

As a reminder, please see the Large and Mid-Size Business Corporation (LMSB) website for special instructions and interim procedures for taxpayers required to efile at: <http://www.irs.gov/businesses/corporations/article/0,,id=147101,00.html>.

As always if you have any questions or comments, please contact us through the Topica group or the ETA 1120 Team at [1120@irs.gov](mailto:1120@irs.gov). You can also contact Xan Ostro at (202) 283-7697 or Joan

Barr from the ETA team at (415) 382-9039. For questions on 7004, you can contact Linda Lateef from the ETA team at (202) 283-0014.